



1700 PENNSYLVANIA AVENUE, NW, SUITE 200, WASHINGTON, DC 20006

May 5, 2021

**Via Electronic Transmission**

The Honorable Xavier Becerra  
Secretary  
U.S. Department of Health & Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

**RE: COVID-19 Financial Relief for Long-Term Care (LTC) Pharmacies**

Dear Secretary Becerra:

Each day, nearly two million Americans in long-term care facilities rely on LTC pharmacies to manage and deliver their medications and to provide related patient care and services. These individuals suffer from multiple complex and chronic conditions and rely on an average of 12 to 13 medications per day. LTC pharmacies provide not only those prescription drugs, but also a variety of clinical and patient care services essential to resident health and quality of life.

Federal law specifically requires that LTC pharmacies provide health care services as well as prescription drugs to residents in LTC facilities. Getting the medication management right for the vulnerable citizens in long-term care facilities is crucial to their personal health and the quality of care provided in these settings. LTC pharmacies are the essential behind-the-scenes partner that make sure this process goes smoothly. Without meaningful relief to offset the financial impact of the pandemic, residents in nursing homes and assisted living facilities may not have access to the prescription medications they need.

The Senior Care Pharmacy Coalition (SCPC) represents more than 300 LTC pharmacies across the country, and our members serve more than 850,000 residents in LTC facilities every day. Our members comprise 75% of the LTC pharmacy sector. In 2020, and with substantial bipartisan support from Congress, we sought equitable and proportionate financial assistance from the Provider Relief Fund (PRF). We submitted several proposals designed to address evolving HHS concerns but received no response during the prior Administration.

In February 2021, prior to your confirmation, we shared our ongoing concern with Chief of Staff Sean McCluskie and subsequently met with HRSA leadership. To our surprise, HRSA had never seen any of the proposals we submitted to the Office of the Secretary last year. Following a promising discussion, we once again submitted proposed solutions to address any remaining concerns. Nonetheless, the situation remains unchanged since Congress enacted the CARES Act more than a year ago. As of today, most LTC pharmacies have not received any assistance from the Provider Relief Fund, yet LTC pharmacies continue to suffer the financial consequences of the pandemic.

The Honorable Xavier Becerra

May 5, 2021

Page 2 of 2

It is no secret that long-term care facilities and their residents have faced enormous and continuing challenges during the COVID-19 outbreak. Fortunately, now that most residents in LTC facilities are fully vaccinated, both infection rates and deaths among residents have plummeted. LTC pharmacies more widely have been instrumental in getting vaccines to these residents and continue to do so to assure that new residents and those who have not yet received vaccines obtain the protection they need.

Despite this success, residents can ill afford interrupted access to drugs. While the pandemic has presented enormous challenges for LTC pharmacies, our member pharmacies across all 50 states have dispensed thousands of prescriptions every day without interruption throughout the COVID-19 outbreak. The absence of the timely, consistent pharmacy support we provide would make the dire circumstances long-term care facilities continue to face much worse.

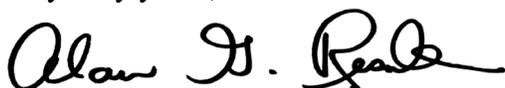
Due to the pandemic, LTC pharmacy revenues have dropped more than 10% while costs increased 10% through the first quarter of this year. We emphasize that both higher costs and lower revenues persisted through the second half of 2020 and to date in 2021. In fact, the COVID-19 vaccination program has exacerbated pandemic-related losses for LTC pharmacies. SCPC's members have administered hundreds of thousands of vaccine doses to LTC facility residents, and report that the payments they received for vaccine administration covered only 60% of the costs to do so. While we have been happy to help assure that these residents are protected, doing so has worsened the financial impact of the pandemic and underscores that LTC pharmacies deserve relief. **Proportionate relief for LTC pharmacies would take no more than \$370 million and could take far less.<sup>1</sup>**

The financial situation for LTC pharmacies mirrors the financial situation for nursing homes and assisted living facilities. In 2020, HHS allocated more than \$12 billion in much deserved assistance to these providers. By contrast, HHS provided almost no relief to LTC pharmacies, with most applications for relief flatly denied.

**It is essential that the next distribution from the Provider Relief Fund include LTC pharmacies, particularly as many providers who received relief last year seek additional relief in 2021. We therefore respectfully request that you assure that LTC pharmacies receive equitable and proportionate relief in the next distribution from the Provider Relief Fund so we may continue meeting the challenges imposed by this unprecedented health crisis.**

Should you have any questions, please let us know. We also respectfully suggest that a meeting to discuss these issues and our proposed solutions in greater detail be scheduled in the near future. I may be reached directly at (717) 503-0516 or [arosenbloom@seniorcarepharmacies.org](mailto:arosenbloom@seniorcarepharmacies.org). Thank you for your consideration.

Very truly yours,



Alan G. Rosenbloom  
President & CEO

---

<sup>1</sup> In 2020, HHS provided relief roughly equal to 2% of annual patient care operating revenues. Depending on the methodology used to determine LTC pharmacy annual patient care operating revenues, SCPC estimates that the cost of relief meeting this standard could range from \$125 million to \$370 million. This range represents 0.07% to 0.5% of the \$178 billion Congress appropriated to the Provider Relief Fund in 2020.